



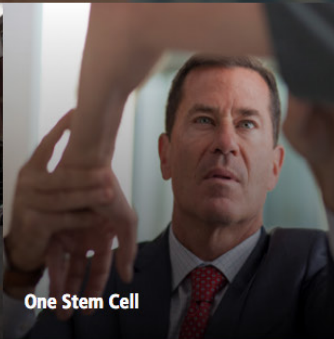
Annual Report: 2016 Year in Review

One compassionate clinician. One research discovery. One life saved. The power of one can start a chain reaction, a ripple effect that can do so much for so many. In 2016 Rush's people, partners and donors collectively improved the health of our patients and community. Because of the dedication of so many individuals, Rush is broadening its scope as a health system — one person, one partner and one gift at a time.

MAKING A DIFFERENCE



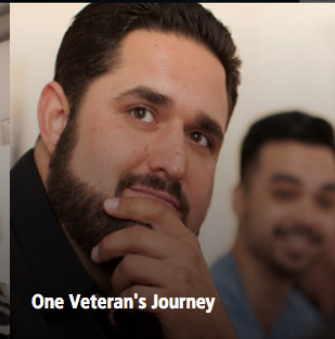
One Mobile Solution



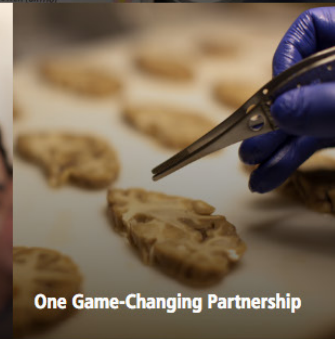
One Stem Cell



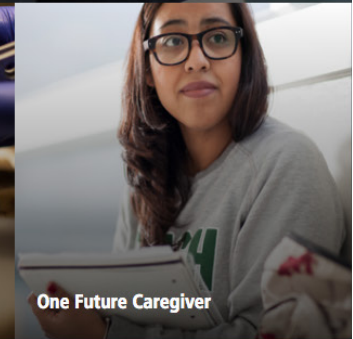
One Healthy Childhood



One Veteran's Journey



One Game-Changing Partnership



One Future Caregiver

Message From Dr. Goodman

Preparing for What's to Come

In this annual report, we proudly share some of the advances made across every component of Rush's mission in 2016. But an annual report is about more than simply looking back; it's about demonstrating how an organization's recent accomplishments have prepared it to be even more successful in the years to come.

From reducing health disparities to expanding our reach as a health system, Rush is now better positioned to improve health than ever before, thanks in large part to the generosity and partnership of so many individuals, families, corporations and foundations.

To all of our friends and donors, we thank you.



A handwritten signature of Larry Goodman in black ink.

Larry Goodman, MD
Chief Executive Officer
Rush University Medical Center

See the full listing of Medical Center
leadership



One Mobile Solution

"With The Grainger Foundation's commitment, we're writing a new chapter in stroke treatment by bringing the ER right to the patient." — James Conners, MD, medical director of the Rush Mobile Stroke Unit

On average, a person loses 1.9 million brain cells during each minute of a stroke. That means that, for the 795,000 people a year who suffer strokes, each minute can be the difference between life and death or disability. The fastest way to save those precious minutes is to bring stroke treatment directly to those in need. Rush will soon be able to do just that.

In 2016 The Grainger Foundation of Lake Forest, Illinois committed to a generous four-year grant to create an enhanced ambulance outfitted with a CT scanner, telemedicine technology, appropriate stroke medication and trained personnel to diagnose and treat stroke patients right in front of their homes or anywhere they experience stroke symptoms. Based at Rush Oak Park Hospital, the Mobile Stroke Unit is among a select few of its kind in the country, its unique capabilities giving the unit's first responders a head start in the race against time.

[Saving Minutes, Saving Lives](#)

Reducing time to stroke treatment can change hundreds of thousands lives each year. Thanks to The Grainger Foundation's support, Rush is now working to solve that exact problem.

See our mobile stroke unit and learn how it can speed up stroke treatment.



One Single Stem Cell

"Thanks to philanthropic support, our stem cell research breakthroughs can immediately be used to treat patients with the most challenging problems."
— Brian Cole, MD, MBA, sports surgeon and section head of the Cartilage Restoration Center at Rush

Health care professionals are just beginning to realize how stem cells can treat challenging conditions. But they are not magic cure-alls that can rewind time and eliminate disease in an instant. For us to fully unlock the potential of stem cells, we need to further the intensive research efforts that are ongoing at Rush.

Spine surgeon Richard Fessler, MD, PhD, found stem cells can help bring back hand function to patients with damaged spinal cords. Orthopedic surgeon Brian Cole, MD, MBA, and his colleagues are studying how stem cells can help lessen repeat rotator cuff injuries after repairs and reduce symptoms of osteoarthritis. And clinician-researcher Deborah Hall, MD, PhD, and scientist-researcher Jeffrey Kordower, PhD, are using stem cells to create new dopamine neurons to transplant in Parkinson's disease patients — one of a few sites in the world doing such work. With philanthropic support, these four, and others at Rush working in regenerative medicine, can continue making advances in understanding and harnessing the power of stem cells to revolutionize patient care.

Changing the Course of Medicine

With great philanthropic support, professionals are working at Rush to solve complex health care problems by using stem cells and other methods to harness and enhance our bodies' inherent abilities to heal.

Watch how stem cells can change the course of medical treatment with and without surgery.



One Healthy Childhood

“Rush helped us make the most courageous decision of my son’s life. But they prepared him for everything, mentally and physically — and now, he’s stronger than all of us.” — Sharene Shumate, mother of pediatric oncology patient Jamari Sanders

Like many osteosarcoma patients, eight-year-old Jamari Sanders faced the possibility of a full limb amputation during his treatment for this aggressive bone cancer. After evaluating his case, though, pediatric oncologist Paul Kent, MD, and orthopedic surgeon Matthew Colman, MD, knew there was another option that could provide him a more active life: a rare procedure known as rotationplasty. They removed Jamari’s entire right femur and rotated his leg 180 degrees from below the knee before reattaching it, permanently turning his ankle joint into his knee joint. Jamari left the operating room with two functioning joints, whereas a full limb amputation would’ve left him with none. A positive yet overwhelming experience, one of his constant sources of motivation was Rush University Children’s Hospital’s Child Life Services team — helping Jamari and his family make sense of his new reality.

While physicians at Rush are always researching creative and groundbreaking treatments, philanthropic support is what truly brings these ideas to life. In 2016 the Ringling Bros. and Barnum & Bailey Circus brought their world-renowned show to patients and visitors of Rush University Children’s Hospital, while also donating to its pediatric cancer research efforts. Additionally the first-ever Chicago Decathlon raised generous funds for pediatric oncology at Rush, allowing more research than ever to transform into innovative treatments like Jamari’s.

A Brighter Future for Pediatric Patients

Our pediatric cancer patients benefit from these research funds and support every day at Rush University Children’s Hospital. See how our state-of-the-art treatments and compassionate staff are ensuring the best options for other patients like Jamari.



One Veteran's Journey

"After closing myself off from the world for so long, this program brought me the guidance, healing and peace needed for my revival." — Daniel Burnham, veteran

Like many veterans struggling with post-traumatic stress disorder, Daniel Burnham fell away from society, his family and himself. In seeking treatment, weekly psychotherapy alone wasn't the right solution — but 24-hour monitoring and hospitalization wasn't necessary either. Rush's Road Home Program filled that gap.

A unique three-week treatment initiative, the Road Home Program's Intensive Outpatient Program, or IOP, targets the driving factors behind veterans' post-traumatic stress disorder, military sexual trauma and similar conditions through group and individual psychotherapy and daily regimens of physical fitness and stress-reduction training. The Road Home Program continues to help veterans like Daniel re-discover their peace and purpose every day. Kick-started by a \$15 million challenge grant from Wounded Warrior Project, the Road Home Program is able to develop this kind of programming through its participation in the Warrior Care Network — a first-of-its-kind partnership between Wounded Warrior Project and four academic medical centers in the U.S. And momentous support from the Woman's Board of Rush University Medical Center and its 90th Annual Fashion Show, as well as the inaugural 2016 Road Home Program Benefit, have helped Road Home and its IOP become the Midwest's destination for veterans' mental health care.

Road to Recovery

Every veteran has their own story and struggle. It's never a one-size-fits-all remedy.

Watch how the Road Home Program provides unique, personalized treatment to other veterans like Daniel.



One Game-Changing Partnership

“In the next five years, we’ll generate data from 50 times the number of brains donated by African Americans than we’ve gathered in 20 years prior — giving us a much better chance at finding more risk factors for neurodegenerative disease.” — David A. Bennett, MD, director of the Rush Alzheimer’s Disease Center and the Robert C. Borwell Professor of Neurological Sciences

Our brains can reveal much about our risk factors for diseases such as Alzheimer’s, Parkinson’s and stroke. What those clues tell us can change depending on where our families are from. During the past 25 years, David Bennett, MD, and the team at the Rush Alzheimer’s Disease Center, or RADC, have studied 1,500 brains, donated primarily by people of European descent, to find ways to treat and prevent neurological diseases. However, obtaining large numbers of donor brains from racial and ethnic minorities has been challenging.

Thanks to a new National Institutes on Aging-funded study in partnership with Jose M. Farfel, MD, PhD, and colleagues at University of Sao Paulo Medical School and Columbia University, he will now be able to do just that. The RADC will collect and study 10,000 donated brains during the next five years — offering a much broader range of ancestry, including African and native Brazilian descent. The partnership also allows Bennett and the team to track a greater array of factors for brain disease than before, such as four decades of pollution levels, and to study broader age groups than what is possible only in the U.S. Just since the project began in September 2016, Bennett and his colleagues have collected more than 350 brains — more than the RADC gathered in the previous 20 years.

Solving the Complex Puzzle of Brain Disease

Thanks to donors such as the Lillian S. Wells Foundation, John and Alice Sabl and Rush’s Neuroscience Leadership Committee, we are accelerating the pace of discovery and expanding upon what we can learn about the causes of debilitating diseases of the brain. See how Bennett and his colleagues are working to prevent and treat Alzheimer’s and other brain diseases.



One Future Caregiver

“Making your dreams a reality is a lot of work, but scholarship support is the momentum that keeps pushing you forward.” — Ashley Lopez '17, scholarship recipient

Years before she'd walk the halls as a student, 8-year-old Ashley Lopez was wheeled through Rush's emergency department as a patient. Nervous and afraid after a train derailment accident, she found comfort in a Rush nurse who held her hand while talking her through a CT scan. This was the type of passionate, patient-centered care Ashley knew she wanted to one day provide for her own community — and Rush University would help her get there.

Born and raised in Chicago's Uptown neighborhood, Ashley is now one of 29 students in Rush's Bachelor of Science in Health Sciences program — a bridge for students from a variety of backgrounds to pursue health care careers, ultimately improving the cultural competency of the industry's workforce. The Carl E. Eybel, MD, Bachelor of Science in Health Sciences Scholarship, provided by the James and Madeleine McMullan Family Foundation, encourages the pathway of career development for talented students like Ashley who otherwise would be unable to obtain a degree. Additionally, a BMO Harris Scholarship — part of the company's initial \$5 million gift to Rush and continuous investment in eliminating disparities in education and health care — provides Ashley significant support as she prepares to join tomorrow's health care workforce.

Donors like these step up every day to support our future health care leaders, already working to make our communities healthier, happier places to live.

Leaders of the Future

As health care continues to transform, supporting future caregivers like Ashley ensures the field will be guided with the talent and heart needed to lead that transformation. Learn more about Ashley's journey with Rush and how donor support is making her dreams a reality.

FY2016 Financial Report

Fiscal year 2016 (July 1, 2015-June 30, 2016) marked another year of strong financial performance, improved patient satisfaction and recognition of excellence in patient care and quality, education and research. Rush continued to experience consistent operating profitability and growth in revenues, while maintaining liquidity. The financial performance has allowed Rush to continue to make improvements within clinical programs and quality of care.

Operating income, one of the most important sources of funding for Rush, was \$74 million during FY2016, which reflects an operating margin of 4.1 percent. For the 12th consecutive year, this operating performance exceeded Rush's financial targets, which have an underlying objective of achieving a return that will allow the institution to invest to fund future obligations and reinvest in our facilities and core activities of patient care, research, education and community engagement. Rush's unrestricted cash and investments, a measure of liquidity, totaled \$864 million as of June 30, 2016. The consistency of the balance sheet and liquidity has become even more important with the challenging health care environment and the competitive Chicago-area market.

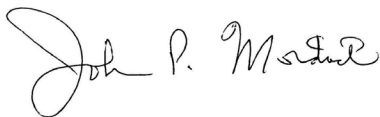
Patient care continues to be at the center of Rush's mission. Through our investments in clinical programs and demonstrated quality of care, Rush has established itself as a local and national leader in health care. Rush is currently ranked fifth among more than 100 academic medical centers by Vizient's Quality Leadership Award (formerly known as University HealthSystem Consortium). The award evaluates hospitals on the basis of mortality, effectiveness, safety, patient centeredness and equity of care. In addition, the Centers for Medicare and Medicaid Services, or CMS, continues to recognize Rush as one of its highest-rated hospitals in Chicago. Rush is also the highest-rated academic medical center within the city of Chicago. The rating is based on ongoing CMS surveys of patients regarding their experiences.

Rush remains committed to supporting the communities we serve, including Chicago's West Side. In total Rush provided nearly \$309 million in community benefits during FY2016. Included within that total, Rush provided \$210 million in unreimbursed care to our patients. Rush also financially supports the education of the next generation of physicians, nurses and allied health professionals, as well as the cost of research that is in excess of external funding received.

Rush has recently entered into the initial stages of a long-term strategic plan, which includes new developments on campus as well as other offsite investments that focus on the ongoing shift to ambulatory services. Rush opened its first significant offsite campus investment with Rush River North in April 2016, an ambulatory development in Chicago's River North neighborhood. Rush will be making other significant offsite investments in Oak Brook, Illinois, and Chicago's South Loop over the next several years. Rush has also announced plans to open the Rush Center for Advanced Health Care, a new building on our main campus in 2020. The addition is a 500,000-square-foot ambulatory care building that will consolidate outpatient services in one convenient location and enhance the patient experience.

All of us at Rush are grateful to our generous donor community in supporting our mission and vision. Rush raised more than \$44 million in philanthropic funding from individuals, families, and corporations and foundations during FY2016. In addition the endowment provided Rush with \$17 million, which continues to support Rush's people and programs by helping to provide for research, free care, student scholarships, professorships and fellowships. Philanthropic contributions are increasingly important to Rush in order to accomplish our aforementioned long-term strategic plan.

The health care environment faces many difficult challenges ahead. With the transition in the presidential administration, the state budget crisis here in Illinois and the competitive Chicago market, the uncertainty in the health care industry presents growing challenges to health care providers. Despite these challenges, Rush is well-positioned to achieve our aspirational goals projected over the next decade. By maintaining our financial strength in the years to come, Rush has a bright future in continuing to pursue our mission and achieve our vision of becoming the leading health system in the region and nationally recognized for transforming health care.



John P. Mordach
Senior Vice President and Chief Financial Officer
Rush University Medical Center

FY2016 Philanthropy and External Awards

Between July 1, 2015, and June 30, 2016, Rush's patients, volunteers, alumni, faculty, staff and friends contributed more than \$44 million in philanthropic support, a concrete and humbling example of our partners' commitment to Rush's mission — and their confidence in helping us fulfill it.

Year after year, our donors bring all facets of our mission to life. Philanthropic support allows our researchers and clinicians to stay on the cusp of leading-edge research, medical advances and innovative treatments. Being able to fund state-of-the-art technology and facility enhancements not only keeps Rush an industry pioneer but offers an unparalleled patient experience to patients from our Chicago neighborhoods and beyond. Donor generosity also ensures the success of our future health care leaders, trained by world-renowned health care professionals at Rush, and supported by countless scholarships, grants and other avenues of financial aid.

In addition to philanthropic support, researchers at Rush received approximately \$83.4 million in external research awards in FY2016. Funding from esteemed sources, including the National Institutes of Health, continues to propel Rush's breakthrough research that will shape the future of health care in our community and across the world.

On behalf of our patients, students, faculty and staff, Rush thanks the many individuals, families, corporations, foundations and other organizations who supported Rush in FY2016. A listing of our generous FY2016 donors appeared in the fall 2016 issue of the Envision Rush donor newsletter. To obtain a print copy of the honor roll, to ensure that you're on our mailing or email lists, or to learn more about giving to Rush, please contact the Office of Philanthropy at (312) 942-6830 or giving@rush.edu.

Thank you.

A handwritten signature in black ink, reading "Diane M. McKeever". The signature is fluid and cursive, with a long horizontal stroke at the end.

Diane M. McKeever
Senior Vice President, Philanthropy
Chief Development Officer
Secretary, The Trustees

Institutional Endowment

As described in this 2016 Year in Review, there is great potential in the act of one. Moreover, this potential is multiplied when combined with the actions of others. Rush's endowment is a meaningful example of how the collective generosity of a number of individuals can have a ripple effect that does so much for so many. Friends and partners of Rush have together created a permanent, yet powerful funding mechanism that ensures the excellence of our programs for generations to come.

We are pleased to present this report on the performance of our endowment in fiscal year 2016 (July 1, 2015-June 30, 2016). The endowment posted a modest decline of -0.6 percent for the fiscal year, net of fees; however, longer-term performance remains favorable with seven- and 10-year annualized returns of 8.2 percent and 5.5 percent, respectively. The endowment's value remained close to its peak with a market value of \$509.2 million as of June 30, 2016. Over the last 10 years, the endowment has provided support totaling more than \$166 million for programs in patient care, research, education and community service. Our goal of providing responsible stewardship for these entrusted funds remains our unwavering focus.

On behalf of the executive leadership and that of the Board of Trustees, thank you for your steadfast support to achieve our shared goals and for your continued investment in our future.

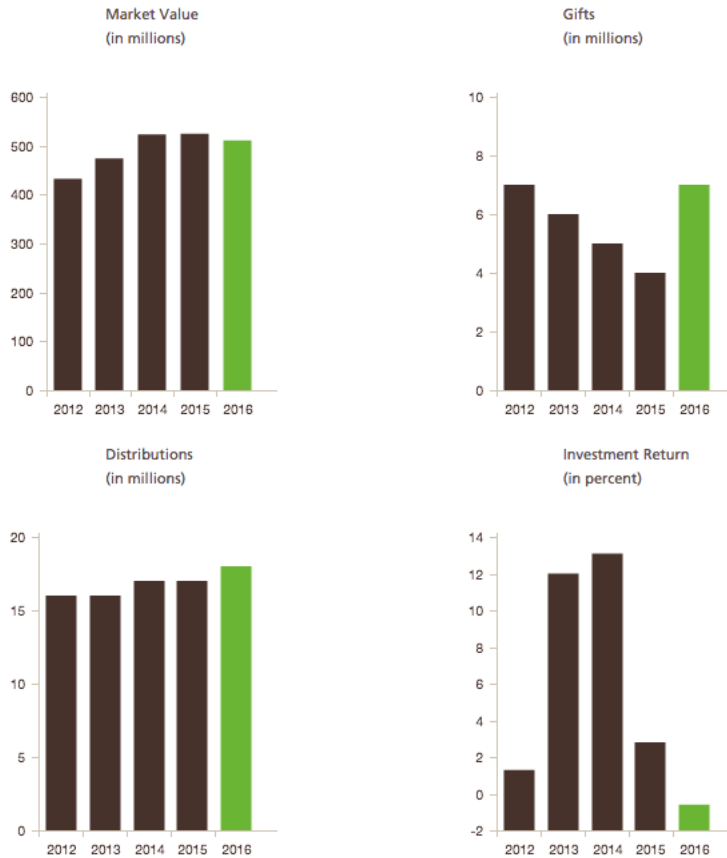


Larry Goodman, MD
President, Rush University
Chief Executive Officer,
Rush University Medical Center

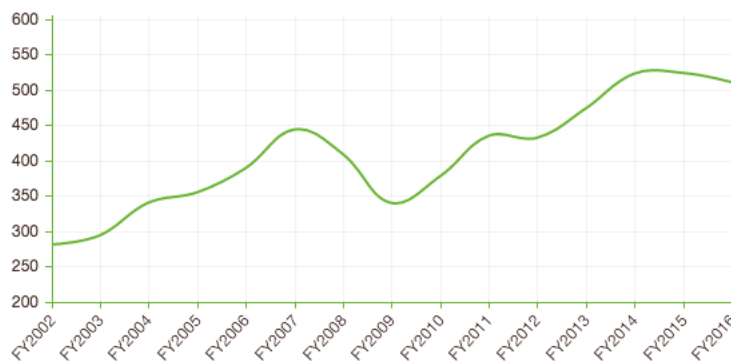


Patricia O'Neil
Vice President,
Chief Investment Officer,
Treasurer

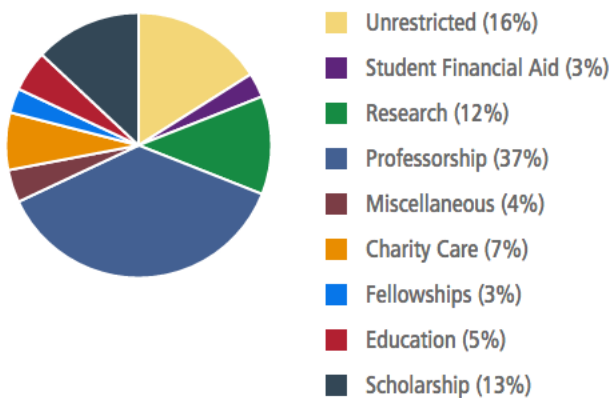
Five-Year Market Value



Endowment Growth FY2002-FY2016



Endowment Support by Program



Founded
1837

Rush Medical College received its charter on March 2, 1837, two days before the city of Chicago was incorporated. Rush Medical College was the first medical school in Chicago and one of the earliest in the Midwest.

People

Rush staff dedicated to serving our patients

1,252

Medical Staff

1,960

Nursing Staff
(medical center)

1,301

Nursing Division

672

Residents and
Fellows

10,038

Total Employees



Staffed Beds



Main Rush Campus in Chicago

Rush University
Medical Center

607

Johnston R. Bowman
Health Center

72

Oak Park

Rush Oak Park
Hospital

72

Births



2,244

Live Births

Patient Statistics by Site

RUSH UNIVERSITY
MEDICAL CENTER

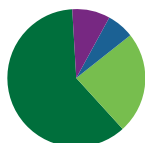
RUSH
OAK PARK HOSPITAL

Admissions	32,020	4,665
Average Stay (Days)	5.58	5.00
Patient Days	178,598	23,324
Operations Performed	21,565	5,882
Emergency Room Visits	71,341	37,181
		5,812 (Rush Surgicenter)

\$44,159,615

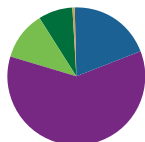
Total Philanthropic Gifts (in millions)

Gifts by
Source



- Associations and other organizations (\$4)
- Corporations (\$2.8)
- Foundations (\$10.7)
- Individuals and families (\$26.7)

Gifts by
Purpose

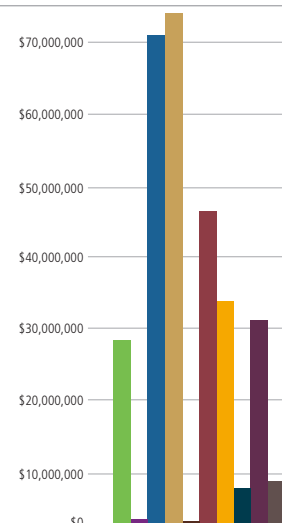


- Facilities (\$3)
- Research (\$7.4)
- Special programs (\$27.9)
- Student aid (\$5.1)
- Unrestricted (\$3.5)

\$308,995,965

Total Community Benefits (in millions)
(Includes Rush Oak Park Hospital)

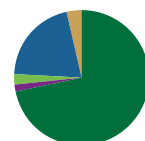
- Charity care (\$28.1)
- Language assistant services (\$1.8)
- Unreimbursed medical care (Medicare) (\$71.7)
- Unreimbursed medical care (Medicaid) (\$78.5)
- Donations (\$1)
- Support for education projects (\$46)
- Support for research programs (\$33.1)
- Subsidized health services (\$8.4)
- Unrecoverable patient debt (\$31.6)
- Other community benefits (\$9.7)



\$83,371,261

Total Research Awards (in millions)

Research
Awards
by Source



- National Institutes of Health (\$60)
- Other federal awards (\$1.3)
- Other public health awards (\$2)
- Private corporations (\$17.3)
- Other (\$2.8)

RUSH UNIVERSITY

Student Body

514

Rush Medical
College

1,119

Rush University
College of Nursing

638

College of Health
Sciences at
Rush University

220

Graduate College
at Rush University

2,512

Total